


MARCH 14, 2008

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON MARCH 14, 2008, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, FEE WAIVER, AND LEGAL BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 5:00 P.M. ON MARCH 14, 2008.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGE 1 TO 10; SURFACE ACTIONS AS LISTED ON PAGES 11 TO 23; DEVELOPMENT ACTIONS AS LISTED ON PAGES 23 TO 29; ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGES 29 TO 33; AND LEGAL ACTIONS AS LISTED ON PAGES 33 TO 35.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 5:00 P.M. ON FRIDAY, MARCH 28, 2008. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.



THOMAS B. FADDIES, ACTING DIRECTOR FOR
KEVIN S. CARTER, DIRECTOR
SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

MATERIAL PERMIT SAND AND GRAVEL APPLICATION NO. 405 (REJECTION) MATERIAL PERMIT SAND AND GRAVEL APPLICATION NO. 410 (REJECTION)

MP 405:

APPLICANT:

A & D Hacking, Inc.
836 South 1500 East
P.O. Box 1670
Vernal, UT 84078

MP 410:

APPLICANT:

K W Crushing, Inc.
P.O. Box 1021
Vernal, UT 84078

AFFECTED LANDS:

Township 5 South, Range 22 East, SLB&M.
Section 36: N½NW¼, SW¼NW¼

COUNTY: Uintah

ACRES: 120.0±

FUND: SCH

A & D Hacking Inc. submitted an application (MP 405) for a materials permit to mine common sand and gravel on the above-referenced trust lands in Uintah County. The public was given notice pursuant to R850-23-50(2)(b). One competing application was received from K W Crushing, Inc. (MP 410). Both applicants were sent a letter requesting submittal of a sealed bid for the permit and given twenty (20) days to respond with the bid. The following summarizes the bids received from the above applicants:

MP 405:

Applicant offered: 1) bonus bid in the amount of \$5,000; 2) royalty rate of \$0.65 per cubic yard of material extracted; and, 3) a mine production schedule of 800-1000 cubic yards per day @ 5 days/week and 40 weeks/year at an annual estimated production rate of 150,000 to 200,000 cubic yards per year of the five year permit term. Applicant did not commit to pay for any of the proposed extracted yards of material in advance.

MP 410:

Applicant offered: 1) bonus bid in the amount of \$5,000, 2) royalty rate of \$0.70 per cubic yard of material extracted; and, 3) a mine production schedule of 100,000 cubic yards of material for each year of the proposed five year permit term. Applicant did not commit to pay for any of the proposed extracted material in advance.

EVALUATION OF FACTS:

The bids submitted for this material site do not meet the expectations of the Agency for materials. The bonus bids are identical and are not high given the current competitive market in the Vernal area. The mining rates submitted are

MATERIAL PERMIT SAND AND GRAVEL APPLICATION NO. 405 (REJECTION)
MATERIAL PERMIT SAND AND GRAVEL APPLICATION NO. 410 (REJECTION)(CONTINUED)

reasonable, but neither applicant committed to pay for any of the proposed material to be extracted in advance. Recommendation is to reject both applications and re-offer a permit for this site at a later date.

Upon recommendation of Mr. Tom Faddies, the Director rejected the applications for MP 405 and MP 410.

TOTAL ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

***DOMINION EXPLORATION & PRODUCTION,
INC. - 100%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

XTO ENERGY INC. - 100%

....ML 42175 (SCH)....ML 46427 (SCH)....ML 47079 (SCH)....ML 47087 (SCH)....ML 47088 (SCH)....
....ML 47391 (SCH)....ML 47392 (SCH)....ML 47507 (SCH)....ML 47520 (SCH)....ML 48772 (SCH)....
....ML 48773 (SCH)....ML 48774 (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 25% interest in and to the leases listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

***EOG RESOURCES, INC. - 75%,
DOMINION EXPLORATION & PRODUCTION,
INC. - 25%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***EOG RESOURCES, INC. - 75%,
XTO ENERGY INC. - 25%***

....ML 45798 (SCH)....ML 47000 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in and to the leases listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

***DOMINION EXPLORATION & PRODUCTION,
INC. - 50%,
EOG RESOURCES, INC. - 50%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***XTO ENERGY INC. - 50%,
EOG RESOURCES, INC. - 50%***

....ML 48380 (SCH)....ML 49054 (SCH)....ML 49055 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 25% interest in operating rights below base of Green River Formation in part of lands: SE¼NW¼ Sec. 6, T10S, R16E, SLB&M., 40.00 acres, in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES INC. – 75%,
XTO ENERGY INC. – 25%

OPERATING RIGHTS: BELOW BASE OF GREEN RIVER FORMATION

T10S, R16E, SLB&M. 640.00 ACRES

SEC. 16: ALL

DOMINION EXPLORATION & PRODUCTION
INC. - 50%,
EOG RESOURCES, INC. - 50%

T10S, R16E, SLB&M. 40.00 ACRES

SEC. 6: SE¼NW¼

EOG RESOURCES INC. - 25%,
**DOMINION EXPLORATION & PRODUCTION,
INC. - 25%,**
LANCE OIL COMPANY - 25%,
BERRY PETROLEUM COMPANY - 25%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES, INC. – 75%,
XTO ENERGY INC. – 25%

OPERATING RIGHTS: BELOW BASE OF GREEN RIVER FORMATION

T10S, R16E, SLB&M. 640.00 ACRES

SEC. 16: ALL

DOMINION EXPLORATION & PRODUCTION
INC. - 50%,
EOG RESOURCES, INC. - 50%

T10S, R16E, SLB&M. 40.00 ACRES

SEC. 6: SE¼NW¼

EOG RESOURCES INC. - 25%,
XTO ENERGY INC. - 25%,
LANCE OIL COMPANY - 25%,
BERRY PETROLEUM COMPANY - 25%

....ML 47000 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 25% interest in operating rights below base of Green River Formation in and to the leases listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

PENDRAGON ENERGY PARTNERS, INC. - 50%,
EOG RESOURCES, INC. - 50%

OPERATING RIGHTS:

BELOW BASE OF GREEN RIVER FORMATION DOMINION EXPLORATION & PRODUCTION

INC. - 25%,
EOG RESOURCES INC. - 25%,
LANCE OIL & GAS COMPANY, INC. - 18.75%,
BERRY PETROLEUM COMPANY – 18.75%,
GASCO PRODUCTION COMPANY - 9.375%,
BREK PETROLEUM, INC. - 3.125%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

PENDRAGON ENERGY PARTNERS, INC. - 50%,
EOG RESOURCES, INC. - 50%

OPERATING RIGHTS:

BELOW BASE OF GREEN RIVER FORMATION

XTO ENERGY INC. - 25%,
EOG RESOURCES INC. - 25%,
LANCE OIL & GAS COMPANY - 18.75%,
BERRY PETROLEUM COMPANY - 18.75%,
GASCO PRODUCTION COMPANY - 9.375%,
BREK PETROLEUM, INC. - 3.125%

....ML 47049 (SCH)....ML 47050 (SCH)....ML 47051 (SCH)....ML 47164 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 37.50% interest in operating rights below base of Green River Formation in and to the leases listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES, INC. - 75%,
PANNONIAN ENERGY, INC. - 25%

OPERATING RIGHTS:

***BELOW BASE OF GREEN RIVER FORMATION
DOMINION EXPLORATION & PRODUCTION***

INC. - 37.50%,
EOG RESOURCES INC. - 37.50%,
PANNONIAN ENERGY, INC. - 18.75%,
BREK PETROLEUM, INC. - 3.125%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES, INC. - 75%,
PANNONIAN ENERGY INC. - 25%

OPERATING RIGHTS:

BELOW BASE OF GREEN RIVER FORMATION

XTO ENERGY INC. - 37.50%,
EOG RESOURCES INC. - 37.50%,
PANNONIAN ENERGY, INC. - 18.75%,
BREK PETROLEUM, INC. - 3.125%

...ML 46707 (SCH)...ML 46910 (SCH)...ML 47067 (SCH)...ML 47987 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 48.75% interest in operating rights below base of Green River Formation in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES, INC. - 75%,
GASCO PRODUCTION CO. - 25%

OPERATING RIGHTS:

***BELOW BASE OF GREEN RIVER FORMATION
TO 9691'***

***DOMINION EXPLORATION & PRODUCTION
INC. - 48.75%,***

BILL BARRETT CORPORATION - 26.25%,
GASCO PRODUCTION CO. - 18.75%,
BREK PETROLEUM, INC. - 6.25%

9691' DOWN

***DOMINION EXPLORATION & PRODUCTION,
INC. - 48.75%,***

EOG RESOURCES, INC. - 26.25%,
GASCO PRODUCTION CO. - 18.75%,
BREK PETROLEUM, INC. - 6.25%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES, INC. - 75%,
GASCO PRODUCTION CO. - 25%

OPERATING RIGHTS:

***BELOW BASE OF GREEN RIVER FORMATION
TO 9691'***

XTO ENERGY INC. - 48.75%,
BILL BARRETT CORPORATION - 26.25%,
GASCO PRODUCTION CO. - 18.75%,
BREK PETROLEUM, INC. - 6.25%

9691' DOWN

XTO ENERGY INC. - 48.75%,
EOG RESOURCES, INC. - 26.25%,
GASCO PRODUCTION CO. - 18.75%,
BREK PETROLEUM, INC. - 6.25%

...ML 46709 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in operating rights below base of Green River Formation in part of lands: All Sec. 16, T10S, R16E, SLB&M., 640.00 acres, in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES, INC. - 75%,
DOMINION EXPLORATION & PRODUCTION,
INC. - 25%

OPERATING RIGHTS:

BELOW BASE OF GREEN RIVER FORMATION

T10S, R16E, SLB&M. 640.00 ACRES

SEC. 16: ALL

DOMINION EXPLORATION & PRODUCTION

INC. - 50%,

EOG RESOURCES, INC. - 50%

T10, R16E, SLB&M. 40.00 ACRES

SEC. 6: SE¹/₄NW¹/₄

EOG RESOURCES, INC. - 25%,

XTO ENERGY INC. - 25%,

LANCE OIL COMPANY - 25%,

BERRY PETROLEUM COMPANY - 25%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES, INC. - 75%,
DOMINION EXPLORATION & PRODUCTION,
INC. - 25%

OPERATING RIGHTS:

BELOW BASE OF GREEN RIVER FORMATION

T10S, R16E, SLB&M. 640.00 ACRES

SEC. 16: ALL

XTO ENERGY INC. - 50%,

EOG RESOURCES, INC. - 50%

T10S, R16E, SLB&M. 40.00 ACRES

SEC. 6: SE¹/₄NW¹/₄

EOG RESOURCES, INC. - 25%,

XTO ENERGY INC. - 25%,

LANCE OIL COMPANY - 25%,

BERRY PETROLEUM COMPANY - 25%

....ML 47000 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in operating rights in part of lands: N¹/₂ Sec. 32, T11S, R23E, SLB&M., 320.00 acres, in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

XTO ENERGY INC. - 100%

OPERATING RIGHTS:

DOMINION EXPLORATION & PRODUCTION

INC. - 50%,

THE HOUSTON EXPLORATION COMPANY - 25%,

ENDURING RESOURCES, LLC - 25%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

XTO ENERGY INC. - 100%

OPERATING RIGHTS:

T11S, R23E, SLB&M. 320.00 ACRES

SEC. 32: S¹/₂

DOMINION EXPLORATION & PRODUCTION

INC. - 50%,

THE HOUSTON EXPLORATION COMPANY - 25%,

ENDURING RESOURCES, LLC - 25%

T11S, R23E, SLB&M. 320.00 ACRES

SEC. 32: N¹/₂

XTO ENERGY INC. - 50%,

THE HOUSTON EXPLORATION COMPANY - 25%,

ENDURING RESOURCES, LLC - 25%

....ML 47079 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in operating rights below the base of the Green River Formation in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES, INC. - 75%,
DOMINION EXPLORATION AND PRODUCTION,
INC. - 25%

OPERATING RIGHTS:

***BELOW BASE OF GREEN RIVER FORMATION
DOMINION EXPLORATION & PRODUCTION
INC. - 50%,
EOG RESOURCES, INC. - 50%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES, INC. - 75%,
DOMINION EXPLORATION AND PRODUCTION,
INC. - 25%

OPERATING RIGHTS:

***BELOW BASE OF GREEN RIVER FORMATION
XTO ENERGY INC. - 50%,
EOG RESOURCES, INC. - 50%***

....ML 47052 (SCH)....ML 47053 (SCH)....ML 47054 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in operating rights in part of lands: SE¼ Sec. 2, T12S, R22E, SLB&M., 160.00 acres in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

DOMINION EXPLORATION AND PRODUCTION,
INC. - 100%

OPERATING RIGHTS:

***DOMINION EXPLORATION & PRODUCTION
INC. - 50%,
THE HOUSTON EXPLORATION COMPANY - 25%,
ENDURING RESOURCES, LLC - 25%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

DOMINION EXPLORATION AND PRODUCTION,
INC. - 100%

OPERATING RIGHTS:

***T12S, R22E, SLB&M. 480.24 ACRES
SEC. 2: N½, SW¼
DOMINION EXPLORATION & PRODUCTION,
INC. - 50%,
THE HOUSTON EXPLORATION COMPANY - 25%,
ENDURING RESOURCES, LLC - 25%
T12S, R22E, SLB&M. 160.00 ACRES
SEC. 2: SE¼
XTO ENERGY INC. - 50%,
THE HOUSTON EXPLORATION COMPANY - 25%,
ENDURING RESOURCES, LLC - 25%***

....ML 47087 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 65% interest in operating rights limited in depth from the base of the Green River Formation defined as the stratigraphic equivalent of 4361' on the Uteland Butte 1977 State Wellbore located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 31, T10S, R19E, SLB&M., to stratigraphic equivalent of 9568' as found in the Kings Canyon 1-32E Well in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Sec. 32, T10S, R19E, SLB&M., in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

III EXPLORATION COMPANY - 56.25%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 43.75%

***OPERATING RIGHTS: LIMITED IN DEPTH FROM
BASE OF GREEN RIVER FORMATION DEFINED
AS STRAT EQUIV OF 4361' ON INDUCTION LOG
OF UTELAND BUTTE 1977 STATE WELLBORE
IN NW $\frac{1}{4}$ SE $\frac{1}{4}$ SEC. 31, T10S, R19E, SLB&M., TO
STRAT EQUIV OF 9568' AS FOUND IN KINGS
CANYON 1-32E WELL LOCATED IN THE
NE $\frac{1}{4}$ NE $\frac{1}{4}$ SEC. 32, T10S, R19E, SLB&M.***

***DOMINION EXPLORATION AND PRODUCTION
INC. - 65%,
III EXPLORATION COMPANY - 19.6875%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 15.3125%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

III EXPLORATION COMPANY - 56.25%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 43.75%

***OPERATING RIGHTS: LIMITED IN DEPTH FROM
BASE OF GREEN RIVER FORMATION DEFINED AS
STRAT EQUIV OF 4361' ON INDUCTION LOG OF
UTELAND BUTTE 1977 STATE WELLBORE
IN NW $\frac{1}{4}$ SE $\frac{1}{4}$ SEC. 31, T10S, R19E, SLB&M., TO
STRAT EQUIV OF 9568' AS FOUND IN KINGS
CANYON 1-32E WELL LOCATED IN THE
NE $\frac{1}{4}$ NE $\frac{1}{4}$ SEC. 32, T10S, R19E, SLB&M.***

***XTO ENERGY INC. - 65%,
III EXPLORATION COMPANY - 19.6875%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 15.3125%***

....ML 47059 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 100% interest in operating rights in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

PANNONIAN ENERGY INC. - 100%

OPERATING RIGHTS:

***DOMINION EXPLORATION & PRODUCTION
INC. - 100%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

PANNONIAN ENERGY INC. - 100%

OPERATING RIGHTS:

XTO ENERGY INC. - 100%

....ML 36213 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 100% interest in operating rights from surface to top of Mancos Formation in and to the leases listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

GILMAN A. HILL - 100%

OPERATING RIGHTS:

SURFACE TO TOP OF MANCOS FORMATION

***DOMINION EXPLORATION & PRODUCTION
INC. - 100%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

GILMAN A. HILL - 100%

OPERATING RIGHTS:

SURFACE TO TOP OF MANCOS FORMATION

XTO ENERGY INC. - 100%

....ML 3393 (SCH)....ML 3393-A (SCH)....ML 3394 (SCH)....ML 3394-A (SCH)....ML 10716 (SCH)....
....ML 13214 (SCH)....

PARTIAL ASSIGNMENT – OIL, GAS, AND HYDROCARBON MINERALS LEASE

Upon recommendation of Ms. Garrison, the Director approved the partial assignment of the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. (New lease to be numbered ML 46719-A.)

ML 46719:

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

DOMINION EXPLORATION & PRODUCTION,
INC. - 75%,
BREK PETROLEUM – 25%

ML 46719:

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

REMAINING IN ML 46719:

T13S, R16E, SLB&M. 320.00 ACRES

SEC. 16: N½

DOMINION EXPLORATION & PRODUCTION

INC. – 75%,

BREK PETROLEUM – 25%

NEW LEASE - ML 46719-A:

RECORD TITLE:

T13S, R16E, SLB&M. 320.00 ACRES

SEC. 16: S½

XTO ENERGY INC. - 100%

....ML 46719(SCH).....

AMENDMENT OF OIL, GAS, AND ASSOCIATED HYDROCARBONS MINERALS LEASE - ML 50139 (SCH)

Through inventory of our lands, it has been found that the description in the above-numbered lease was in error. The lease was issued as follows (affected description is bolded and italicized):

T2S, R1W, USB&M. Duchesne and Uintah Counties
SEC. 34: E½, N½SW½, SE¼SW¼

CORRECTED LEGAL DESCRIPTION:

T2S, R1W, USB&M.
SEC. 34: E½, N½SW¼, SE¼SW¼

The parties have agreed that there will be no retroactive refunds or charges to lessee for incorrect descriptions resulting in overpayment or underpayment of rentals. However, any changes to delay rental amounts will be effective immediately and corrected amounts will be due commencing on the next ensuing anniversary date of the lease following the effective date of this amendment and will continue at that rate so long as the lease remains valid and in full force and effect unless the Record Title Lessee is notified otherwise by TLA.

The lease and all other of its terms and conditions remain in full force and effect and are ratified hereby. To the extent necessary to effectuate the intent of the parties stated herein, this amendment shall be deemed to contain present words of grant.

This amendment has been agreed to and executed by the current lessee of record, EnerPlus Resources (USA) Corporation, 1700 Lincoln Street, Suite 1300, Wells Fargo Center, Denver, CO 80203; and Thames River, LLC 3402 Evergreen Place, Salt Lake City, UT 84106.

Upon recommendation of Mr. Stokes, the Director approved the above amendment as listed.

APPROVAL OF 2008 PLAN OF DEVELOPMENT FOR THE ROCK SPRINGS UNIT

Wind River II Corporation has submitted their 2008 Plan of Development for the Rock Springs Unit. Wells approved within this Plan of Development are listed below:

| | |
|-------------------------|------------------------------------|
| Cherry Mesa 12-27-16-22 | NW¼SW¼ Sec. 27, T16S, R22E, SLB&M. |
| Snowshoe 16-10-16-22 | SE¼SE¼ Sec. 10, T16S, R22E, SLB&M. |
| Snowshoe 2-15-16-22 | NW¼NE¼ Sec. 15, T16S, R22E, SLB&M. |
| Kelly Canyon 2-7-16-22 | NW¼NE¼ Sec. 7, T16S, R22E, SLB&M. |

Upon recommendation of Ms. Garrison, the Director approved the above-listed Plan of Development for the Rock Springs Unit.

SUSPENSION OF CONTINUOUS DRILLING OBLIGATION – THE ROCK SPRINGS UNIT

Wind River II Corporation has drilled four gas wells in the Rock Springs Unit, all of which are currently shut-in due to the lack of a sales pipeline. In order to allow Wind River time to build the pipeline to the existing four wells, test, and commence sales from at least one of the wells, the continuous drilling obligation contained in Paragraph 9 of the Unit Agreement is suspended under the terms of Paragraph 26, Unavoidable Delay, due to lack of a gas pipeline. The suspension of continuous drilling obligation shall be for 141 days or until August 1, 2008. On or before August 1st, Wind River must file a paying well determination with this office and establish a participating area for at least one of the wells within the unit.

Upon recommendation of Ms. Garrison, the Director approved the above-listed suspension.

BOND RIDER – STATEWIDE BOND OF LESSEE (ALL)

On January 18, 2008, the Director accepted a \$5,000 individual well bond (Bond No. 190018958/105012315) from Fidelity Exploration & Production Company, Suite 2800, 1700 Lincoln Street, Denver, CO 80203. The surety is Liberty Mutual Insurance Company and Travelers Casualty and Surety Company of America, c/o Marsh USA Inc, Suite 2100, 1225 17th Street, Denver, CO 80202. This bond was to cover their oil and gas exploration and development operations of the Utah State 16-1 (API 43 019 31567) Well under State of Utah Oil, Gas and Hydrocarbon Lease ML 48008.

Fidelity Exploration & Production Company has submitted a rider from Liberty Mutual Insurance Company and Travelers Casualty and Surety Company of America, increasing Bond No. 190018958/105012315 to \$15,000 and changing coverage to provide surety on all statewide operations.

Upon recommendation of Mr. Bonner, the Director accepted the Bond Rider for Bond No. 190018958/105012315 increasing coverage to \$15,000 and changing coverage to provide surety on all statewide operations.

ACCEPTANCE OF STATEWIDE BOND OF LESSEE (ALL)

Finley Resources, Inc, P.O. Box 2200, Fort Worth, TX 76113, has submitted a State of Utah, Statewide Bond of Lessee in the amount of \$15,000, Bond No. RLB0011310. This statewide bond is to cover their oil and gas exploration and development operations on trust lands. The surety is RLI Insurance Company, Suite 400, 8 Greenway Plaza, Houston, TX 77046.

Upon recommendation of Mr. Bonner, the Director accepted the \$15,000 Statewide Bond of Lessee Bond No. RLB0011310, from Finley Resources, Inc.

SURFACE ACTIONS

GRAZING PERMITS

GRAZING PERMIT NO. 23282 (APPROVAL)

Michael K. Hiskey
168 South 600 East
Spanish Fork, UT 84660

240.00 Acres 30 AUMs School Fund Millard County

Township 15 South, Range 8 West, SLB&M
Sec. 24: S½NE¼, SE¼

First year's rental: \$106.50
Application fee: \$50.00

The term of this permit begins July 1, 2007, and expires June 30, 2022. The season of use is August 1 through September 30 for cattle. This parcel is not part of a BLM allotment.

Upon recommendation of Mr. Ron Torgerson, the Director approved Grazing Permit No. 23282.

GRAZING PERMIT NO. 20420-00 (AMENDMENT - REDUCTION OF AUMS)

Parker Mountain Grazing Association, c/o Gary Hallows, Loa, UT 84747, has requested that the Trust Lands Administration reduce their permitted AUMs by 183.62 on GP 20420-00. This represents 183.62 fall sheep grazing AUMs that the association members cannot use because all sheep have been removed from the allotment. Because there are not additional cattle AUMs on the Parker Mountain Allotment, the Trust Lands Administration's staff agrees with this reduction of AUMs. GP 20420 will now contain 6,913 AUMs. The acreage will remain the same. The \$50.00 amendment fee has been submitted. Piute and Wayne Counties. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the reduction of AUMs for GP 20420-00.

MODIFIED GRAZING PERMITS

MODIFIED GRAZING PERMIT NO. 16 (REINSTATEMENT)

Kenneth Bates, 3021 Spanish Valley Drive, Moab, UT 84532, has requested reinstatement of MGP 16, which was canceled for non-payment on March 7, 2008. The permittee has submitted a total of \$666.00, which includes \$600.00 yearly rental, \$30.00 reinstatement fee, and \$36.00 late fee. San Juan County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the reinstatement of MGP 16.

RIGHTS OF ENTRY**RIGHT OF ENTRY NO. 5131 (APPROVAL)**

The School and Institutional Trust Lands Administration has received a right of entry application from Remote Possibilities RC Club, Jerry Law, 3161 Little Valley Rd., St. George, UT 84790, to occupy the following described trust land located within St. George City for a runway extension for flying model remote controlled aircraft.

Township 43 South, Range 16 West, SLB&M

Sec 16: within

St. George City has authorized the applicant to utilize adjoining property owned by the City to place the majority of the runway and other facilities. SITLA's Development Group has reviewed this proposal and does not have any concerns with the intended use.

The permit will allow for construction and maintenance of a small portion of the runway on trust lands. The area will be fenced to keep livestock off. The applicant has agreed that any improvement costs they have on the property are not reimbursable by the Agency upon cancellation or termination of this permit.

The fee for this right of entry is \$300.00 plus a \$50.00 application and a \$50.00 processing fee, totaling \$400.00. School Fund. Washington County. Beginning Date: March 17, 2008. Expiration Date: March 16, 2009.

Upon recommendation of Mr. Lou Brown, the Director approved Right of Entry No. 5131 for a term of one year.

RIGHT OF ENTRY NO. 5137 (APPROVAL)

On March 4, 2008, the School and Institutional Trust Lands Administration received an application from US Department of Energy, 200 Grand Avenue, Grand Junction, Colorado, 81501, to occupy the following described tract of trust lands located in Grand County for the purpose of beginning construction of a 6-inch diameter buried water pipeline while the easement application is processed.

Township 21 South, Range 17 East, SLB&M

Section 36: SW $\frac{1}{4}$ SW $\frac{1}{4}$ (within)

A 60 foot wide corridor, 30 feet on each side of the following described centerline:

Beginning at a point which is N 0°43'53" E 494.74 feet along section line from the Southwest corner of Section 36, Township 21 South, Range 17 East, SLM; thence S 60°19'15" E 228.43 feet; thence S 60°07'20" E 769.22 feet to the south line of said Section 36 at a point which is S 89°53'42" E 871.77 feet along section line from the Southwest corner of said Section 36. Containing 1.37 acres, more or less.

Township 21 South, Range 19 East, SLB&M

Section 33: NW $\frac{1}{4}$ (within)

A 60 foot wide corridor, 30 feet on each side of the following described centerline:

Beginning at a point which is S 0°05'25" W 1501.24 feet along section line from the Northwest corner of Section 33, Township 21 South, Range 19 East, SLM; thence N 25°13'09" E 839.85 feet; thence N 50°16'03" E 1160.57 feet to the north line of said Section 33 at a point which is N 89°58'54" E 1248.01 feet along section line from the Northwest corner of said Section 33. Containing 2.76 acres, more or less.

RIGHT OF ENTRY NO. 5137 (APPROVAL) (CONTINUED)

Township 22 South, Range 18 East, SLB&M

Section 2: SW¹/₄, NE¹/₄ (within)

A 60 foot wide corridor, 30 feet on each side of the following described centerline:

Beginning at a point which is N 0°24'43" E 2273.79 feet along section line from the Southwest corner of Section 2, Township 22 South, Range 18 East, SLM; thence N 77°52'21" E 5394.88 feet to the east line of said Section 2 at a point which is S 0°00'17" E 2310.64 feet along section line from the Northeast corner of said Section 2. Containing 7.43 acres, more or less.

COUNTY: GRAND

ACRES: 11.56

FUND: School

The proposed pipeline will be used to transport water from a pumping station on the Green River to the Moab uranium mill tailing relocation site located north of Crescent Junction. The pipeline is 6-inches in diameter and will be buried. This proposed pipeline corridor is 8,292.95 feet long and 60 feet wide, containing 11.56 acres.

This project is currently being reviewed under Easement No. 1345. This right of entry permit is being issued to allow the applicant to begin construction on the pipeline while the easement agreement is being finalized. The term of the right of entry permit will be for 60 days or until Easement No. 1345 is finalized, whichever comes first.

The proposed project was submitted to the Resource Development Coordinating Committee ("RDCC") on January 3, 2008, for review and comment. Comments were received from the Southeastern Utah Association of Governments as follows:

Southeastern Utah Association of Governments:

"Favorable comment recommended."

The comments received from the RDCC have been passed on to the applicant.

The project area has been surveyed for cultural resources by Montgomery Archaeological Consultants (U-07-MQ-1315b,p,s). The cultural resources survey has been reviewed by the Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") with a finding of "No Adverse Affect."

The right of entry permit begins March 10, 2008, and will expire on May 8, 2008, or when Easement No. 1345 is finalized, whichever comes first. The fee for this permit is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. Upon expiration of this permit, these fees will be applied toward the fees due for Easement No. 1345.

Upon recommendation of Mr. Chris Fausett, the Director approved Right of Entry No. 5137.

RIGHT OF ENTRY NO. 5138

On March 5, 2008, Ms. Jeanine Kleinke, Trust Lands Technician, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of the Red Rock 4-Wheelers, P.O. Box 1471, Moab, UT 84532, to occupy the following described trust land located within Grand and San Juan Counties to conduct the 42nd Annual Jeep Safari:

T21S, R16E, SLB&M

Sec. 36: Within

T22S, R16E, SLB&M

Sec. 2: Within

T22S, R17E, SLB&M

Sec. 32: Within

T22S, R19E, SLB&M

Sec's 15, 22, 23, 24: Within

T22S, R20E, SLB&M

Sec. 36: Within

T22S, R21E, SLB&M

Sec. 32: Within

T22S, R22E, SLB&M

Sec. 2: Within

T23S, R17E, SLB&M

Sec. 2: Within

T23S, R20E, SLB&M

Sec's 33, 34: Within

T23S, R22E, SLB&M

Sec. 36: Within

T23S, R23E, SLB&M

Sec's 16, 32: Within

T23S, R24E, SLB&M

Sec. 36: Within

T24S, R18E, SLB&M

Sec's 32, 36: Within

T24S, R19E, SLB&M

Sec's 16, 32: Within

T24S, R20E, SLB&M

Sec's 2, 13, 14, 27: Within

RIGHT OF ENTRY NO. 5138 (CONTINUED)

T24S, R24E, SLB&M
Sec. 2: Within

T24S, R25E, SLB&M
Sec. 16: Within

T25S, R18E, SLB&M
Sec's 16, 36: Within

T25S, R19E, SLB&M
Sec's 32, 36: Within

T25S, R20E, SLB&M
Sec's 2, 16, 32, 36: Within

T25S, R22E, SLB&M
Sec's 32, 36: Within

T25S, R23E, SLB&M
Sec. 32: Within

T26S, R18E, SLB&M
Sec. 2: Within

T26S, R19E, SLB&M
Sec. 2: Within

T26S, R21E, SLB&M
Sec's 16, 33: Within

T26S, R23E, SLB&M
Sec. 32: Within

T27S, R22E, SLB&M
Sec's 1, 2, 16, 35: Within

T27S, R23E, SLB&M
Sec's 7, 8: Within

T39S, R11E, SLB&M
Sec. 36: Within

T40S, R11E, SLB&M
Sec. 2: Within

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. The permittee shall also pay to the Trust Lands Administration the sum of 3% of gross receipts based on number of vehicles, number of vehicle days, and percentage of time spent on trust land, or \$4.00/vehicle, whichever is greater, within 30 days of the permit expiration date. Grand and San Juan Counties. School and USU Funds. Expiration date: March 23, 2008.

This item was submitted by Ms. Jeanine Kleinke for record-keeping purposes.

RIGHT OF ENTRY NO. 5139 (APPROVAL)

On March 6, 2008, the School and Institutional Trust Lands Administration received an application from International Adventure Tours, Inc., 420 Kane Creek Blvd., Moab, UT 84532, to occupy all trust land located within the State of Utah, except for those lands subject to existing leases or permits which grant access control, and those lands that have been withdrawn or may be withdrawn by order of the Director, for commercial tours for an eight-month term.

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. The permittee shall also pay to the Trust Lands Administration the sum of 3% of gross receipts based on number of clients, number of client days, and percentage of time spent on trust land, within 30 days of permit expiration date. Beginning date: April 1, 2008. Expiration date: December 31, 2008. Funding: School = 96%, U = 0.72%, Deaf = 0.17%, USH = 0.09%, Blind = 0.51%, MH = 0.20%, NS = 0.19%, PB = 0.09%, SYDC = 0.04%, RES = 1.40%, SM = 0.18%, UNIV = 0.41%.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5139 for an eight-month term.

RIGHT OF ENTRY NO. 5140 (APPROVAL)

On February 19, 2008, the School and Institutional Trust Lands Administration received an application from Kerr-McGee Oil & Gas Onshore LP, 1999 Broadway, Suite 3700, Denver, Colorado 80202, to occupy the following described trust land located in Uintah County for the purpose of constructing a natural gas meter station and a receiver site (pig launch) for an 8-inch natural gas pipeline on the following parcel of trust land:

Township 9 South, Range 25 East, SLB&M
Section 30: SE $\frac{1}{4}$ NW $\frac{1}{4}$ (within)

County: Uintah

Acres: 1.00

Fund: School

The applicant has submitted a request to begin ground work for the construction of a natural gas meter station and a receiver site (pig launch) for an 8 inch natural gas pipeline. The applicant has submitted two special use lease applications (SULA 1581 and SULA 1582) for this purpose. Prior to the execution of the lease agreements, the applicant is desirous of beginning the preliminary ground work at this site.

As ground disturbance will occur with this right of entry, the Resource Development Coordinating Committee ("RDCC") and the Uintah Basin Association of Governments were notified on February 19, 2008. This item received an expedited review and no comments were received.

A cultural resource survey has been completed by Montgomery (U-05-MQ-1241b,p,s) indicating a finding of "No Historic Properties Affected." The survey has been reviewed by the Trust Lands Administration's archaeological staff, who concurs with the findings.

A paleontological survey was conducted on July 18 - 25, 2007, by Dave Alderks, Jason Klimek, Ashley Scheetz, Aaron Scheetz, Laura Shychoski, and Leith Tidwell under the direction Stephen D. Sandau, paleontologists for Intermountain Paleo - Consulting. The report, Number 07-165, was dated August 2, 2007. The survey route of the pipeline included the area covered by the proposed meter station and receiver site. Only a few fossil fragments were observed during the survey. Therefore, it is recommended that no paleontological restrictions be placed on the development of this project. Should fossils be found during construction of the project, a qualified paleontologist should immediately be contacted to evaluate the discovery. This recommendation will be included in the right of entry permit.

RIGHT OF ENTRY NO. 5140 (APPROVAL) (CONTINUED)

The term of the right of entry will be for 60 days, commencing March 6, 2008, and expiring May 6, 2008, or upon execution of SULA 1581 and SULA 1582, whichever comes first. The fee for this permit is \$400.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$500.00.

Upon recommendation of Mr. Kurt Higgins, the Director approved Right of Entry No. 5140.

EASEMENTS

EASEMENT NO. 1281 AMENDMENT NO. 1 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

XTO Energy, Inc.
978 North Crescent
P.O. Box 1360
Roosevelt, Utah 84066

LEGAL DESCRIPTION:

Township 11 South, Range 19 East, SLB&M
Section 2: Lot 1, SE $\frac{1}{4}$ NE $\frac{1}{4}$ (within)

A 75 foot wide easement, 37.5 feet on each side of the following described centerline:

Beginning at a point in Lot 1 of Section 2, T11S, R19E, SLB&M, which bears N 24°50'03" W 1518.95 feet from the east $\frac{1}{4}$ corner of said Section 2, thence S 74°08'37" E 56.31 feet; thence S 05°43'16" E 43.25 feet; thence S 42°23'19" E 263.91 feet; thence S 32°13'52" E 118.80 feet; thence S 00°43'55" E 145.03 feet; thence S 03°48'59" W 211.24 feet; thence S 12°46'48" E 236.06 feet; thence S 39°04'50" E 190.34 feet; thence S 58°27'55" E 207.72 feet to a point on the east line of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 2 which bears N 00°21'36" W 182.26 feet from the east $\frac{1}{4}$ corner of said Section 2. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 2.54 acres more or less.

COUNTY: Uintah

ACRES: 2.54

FUND: School

PROPOSED ACTION:

The grantee proposes to amend Easement No. 1281 to allow for the replacement of the existing 10-inch or less diameter surface pipeline authorized under Easement No. 1281 with a 12-inch or less diameter buried natural gas pipeline and a 12-inch or less diameter buried water pipeline. The grantee also proposes to expand the easement corridor from the currently authorized 30 foot width to a 75 foot width. The length of the amended easement corridor will remain unchanged at 1,472.66 feet. The acreage of the easement will increase from 1.014 acres to 2.54 acres.

All other provisions of the existing easement will remain in full force and effect as written. The expiration date of the easement, as amended, remains August 31, 2027.

RELEVANT FACTUAL BACKGROUND:

Easement No. 1281 was issued effective September 1, 2007, for a 10-inch or less diameter surface pipeline. The easement corridor was 1,472.66 feet long and 30 feet wide, containing 1.014 acres. The term of the easement was 20 years, with an expiration date of August 31, 2027.

EASEMENT NO. 1281 AMENDMENT NO. 1 (APPROVAL) (CONTINUED)

The proposed action was submitted to the Resource Development Coordinating Committee ("RDCC") for review and comment on October 25, 2007. Comments were received from the Department of Environmental Quality/Division of Air Quality, the Utah Geological Survey, and the Uintah County Commission as follows:

Department of Environmental Quality/Division of Air Quality:

"This proposal may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 North 1950 West, Salt Lake City, Utah, 84116, for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available online at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>

"In addition, the project is subject to R307-205-5, Fugitive Dust, since the project could have a short-term impact on air quality due to the fugitive dust that could be generated during the excavation and construction phases of the project. An Approval Order is not required solely for the control of fugitive dust, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: www.rules.utah.gov/public/code/r307/r307.htm."

Utah Geological Survey:

"There are known significant vertebrate fossil localities recorded in our files in or near this project area, and the Eocene Uinta Formation exposed here has the potential for yielding additional significant vertebrate fossil localities. The Office of the State Paleontologist, therefore, recommends a paleontological survey be conducted for this project and its easements by a paleontologist with a valid permit."

Uintah County Commission:

"Thank you for the opportunity to comment on the proposed amendment to expand the current easement corridor from a 30 foot width to a 75 foot width located in T11S, R19E, Section 2: Lot 1, SE¼NE¼ (within), by XTO Energy, Inc. The expanded corridor is to allow for a 12-inch buried natural gas pipeline and an additional 12-inch buried water pipeline within the easement corridor. The 10-inch surface natural gas pipeline that was previously authorized to this easement has not been constructed and will be replaced by the 12-inch buried natural gas pipeline. The easement corridor length remains unchanged at 1,472.66 feet. The date of the easement will remain the same, expiring on August 31, 2027. Archeological and paleontological surveys are already in place for the proposed corridor.

"Ground disturbance, increase in traffic, equipment, dust, and noise emissions should be kept at a minimum during construction.

"The document fails to reveal where the pipelines begin and where they will end. It is recommended that the buried natural gas pipeline and the buried water pipeline be kept at least a distance of 10 feet apart throughout the easement corridor and stakes identifying the specific pipelines be placed along the corridor. Please inform XTO Energy Inc. to contact the Uintah County Building, Planning and Zoning Department for the necessary County permits. If improvements or maintenance is required on County roads, please contact the Uintah County Public Lands Department. If crossing a County road, please contact the County Road Department.

EASEMENT NO. 1281 AMENDMENT NO. 1 (APPROVAL) (CONTINUED)

"Utah County supports this proposed action and is supportive of oil and gas production in the County. At this time we have no further comment, but reserve the right to comment at a later date if warranted."

The applicant has been notified of the comments provided by the RDCC. The comments submitted by the Department of Environmental Quality/Division Air Quality are addressed within paragraph 13 of the original easement agreement.

Pursuant to the recommendation of the Utah Geological Survey, the project area was surveyed for paleontological resources by Alden H. Hamblin, paleontologist with A.H. Hamblin Paleontological Consulting. The survey recommended that no paleontological restrictions be placed on the development of this project. If any vertebrate fossils are found during construction, it is recommended that a qualified paleontologist be notified immediately to evaluate the discovery.

The proposed easement corridor has been surveyed for cultural resources by AIA (U-05-AY-0296s) with a finding of "Historic Properties Not Affected." The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") have reviewed the project and concur with this finding.

EVALUATION OF FACTS:

1. The proposed easement amendment is not located entirely on trust lands.
2. The term of the easement will not be affected and remains at 20 years from the effective date of the original easement.
3. The applicant has paid the School and Institutional Trust Lands Administration the \$400.00 amendment fee required pursuant to R850-4-200.
4. The applicant has paid the School and Institutional Trust Lands Administration an additional easement fee in the amount of \$1,071.03, as required pursuant to R850-40-600.
5. The proposed easement amendment will not have an unreasonably adverse affect on the developability or marketability of the subject property.

This action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1281, Amendment No. 1. The required \$400.00 amendment fee and additional \$1,071.03 easement fee have been paid.

EASEMENT NO. 1360 (REFUSAL OF APPLICATION AND REFUND OF APPLICATION FEE)

On February 8, 2008, an easement application was submitted to the Trust Lands Administration by Mr. Donald R. Lankford, 4497 Buena Vista Ct., Castle Rock, Colorado, 80109. The proposed purpose of the easement was to construct, operate, repair, and maintain an access road across trust lands to private property owned by the applicant. Upon completion of the initial evaluation of the application required by Rule R850-3-400, it has been determined that accepting this application will not be in the best interest of the Trust Beneficiaries, therefore the Director has refused to accept the application.

The applicant submitted a \$750.00 application fee along with the easement application, which was accepted by the Agency. However, Rule R850-3-400 states that no fees shall be collected from the applicant prior to completion of the above-referenced initial evaluation of the application. Therefore, it has been determined that the **\$750.00 application fee should not have been accepted by the Agency and should be refunded to the applicant.**

This application was refused by the Director on February 29, 2008. Upon recommendation of Mr. Chris Fausett, the Director ordered a **refund of the application fee, in the amount of \$750.00, be sent to the applicant.**

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE NO. 156 - AMENDMENT NO. 1 (CORRECTION OF DIRECTOR'S MINUTES DATED FEBRUARY 29, 2008)**

Special Use Lease No. 156 (SULA 156) is issued to the San Juan Stake of the Church of Jesus Christ of Latter Day Saints, Blanding FM Group, P.O. Box 935, Blanding, UT 84511. On July 4, 2007, a revised land survey was performed on the acreage contained in SULA 156 and the lease was subsequently amended. This amendment corrects the acreage, lease area, and access description. On March 7, 2008, it was determined that the metes and bounds description shown on the February 29, 2008, Director's Minutes was incorrect. It should be corrected as follows:

Shown as:Township 40 South, Range 24 East, SLB&M

COUNTY: San Juan

FUND: School

Section 32: A tract of land contained in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 40 South, Range 24 East, SLB&M, San Juan County, Utah, more particularly described as follows:

Beginning at a point on the South line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$, from which point the South $\frac{1}{4}$ Corner of said Section 32 bears N 89°57'05" W a distance of 1194.30 feet; thence N 1°19'56" W a distance of 362.25 feet along a fence line and the prolongation thereof to the South right-of-way line of State Highway 262; thence S 68°35'08" E a distance of 186.08 feet along said centerline of State Highway 262 to a point on the East Line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$; thence S 0°19'59" W a distance of 53.59 feet along said East line to a point on the South right-of-way line of State Highway 262; thence S 0°19'59" W a distance of 294.97 feet along said East line to the SE corner of said SW $\frac{1}{4}$ SE $\frac{1}{4}$; thence N 89°57'05" W a distance of 161.53 feet along the South line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$ back to the point of beginning. Containing 1.46 acres, more or less. Subject to all easements of record or prescriptive.

Should be:Township 40 South, Range 24 East, SLB&M

COUNTY: San Juan

FUND: School

Section 32: A tract of land contained in the SW $\frac{1}{4}$ SE $\frac{1}{4}$, Township 40 South, Range 24 East, SLB&M, San Juan County, Utah, more particularly described as follows:

Beginning at a point on the South line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$, from which point the South Quarter Corner of said Section 32 bears N 89°57'05" W a distance of 1194.30 feet; thence N 1°19'56" W a distance of 362.25 feet along a fence line and the prolongation thereof to the South right-of-way line of State Highway 262; ***thence N 1°19'56" W a distance of 54.22 feet to a point on the centerline of State Highway 262;*** thence S 68°35'08" E a distance of 186.08 feet along said centerline of State Highway 262 to a point on the East line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$; thence S 0°19'59" W a distance of 53.59 feet along said East line to a point on the South right-of-way line of State Highway 262; thence S 0°19'59" W a distance of 294.97 feet along said East line to the SE Corner of said SW $\frac{1}{4}$ SE $\frac{1}{4}$; thence N 89°57'05" W a distance of 161.53 feet along the South line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$ back to the point of beginning. Containing 1.46 acres, more or less. Subject to all easements of record or prescriptive.

Upon recommendation of Mr. Bryan Torgerson, the Director approved the above correction for SULA 156.

SALES**PRIVATE PRE SALE NO. 8392 AND REIMBURSEMENT OF RANGE IMPROVEMENT FEES (APPROVAL)**

On August 1, 2007, the above-referenced application was received from Iron County, 68 South 100 E., Parowan, UT 84761. The applicant requested approval of the sale of the land located in Iron County described as follows:

Township 31 South, Range 10 West, SLB&M
Section 32: NW¼, NW¼SW¼, N½NE¼SW¼

ACRES: 220.00

COUNTY: Iron

FUND: School

Iron County has recently worked out an agreement with the US Fish and Wildlife Service that will allow them to mitigate prairie dog habitat on existing developments within the County if the County purchases existing habitat elsewhere. The sale of this parcel to the County will allow it to meet this obligation. This parcel has been identified by the BLM and Fish and Wildlife Service as having existing populations of prairie dogs and appropriate habitat for mitigation.

The Board of Trustees received notification of the proposed sale and approved this action as part of the Consent Calendar at the August 7, 2007, meeting.

A market analysis, completed on this sale pursuant to R850-80-500(2), indicates that the potential for revenue generation from this parcel by other uses is limited. The revenue generated from a sale of this property at fair market value exceeds current and any projected revenue from this land. Based on this analysis, it is in the best interest of the Trust to sell this land pursuant to R850-80-550(2). All requirements of this rule have been met.

The value of the property, as determined by an appraisal, is \$132,000.00. The acreage is less than 320 acres, and the advertising did not bring forth any comments or interest in this parcel. Therefore, a sale of the property for the value indicated is consistent with rule and fair market value requirements. The sale price for the property is \$132,000.00, plus the application fee of \$250.00, advertising fee of \$365.00, appraisal fee of \$1,750.00, and sale processing fee of \$500.00 totaling \$134,865.00.

In addition to the fees mentioned above, \$5,800.00 was assessed for an approved range improvement project involving an archaeological survey and seeding. This range improvement project was paid for by the grazing permittee and should be reimbursed. **The \$5,800.00 reimbursement should be submitted to Matt Bulloch, 1897 N. 4500 W., Cedar City, UT 84720.**

All fees have been submitted and receipted.

Upon recommendation of Mr. Lou Brown, the Director approved the sale to Iron County, and the reimbursement of the value of the range improvement project to the grazing permittee.

PRE SALE NO. 8398 – GREEN RIVER EAST (APPROVAL FOR SALE AT AUCTION)

Pursuant to R850-80-300(2), it has been determined that disposal of the following property is timely and in the best interest of the Trust Lands' Beneficiaries:

Township 20 South, Range 16 East, SLB&M

Section 21: W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$

Section 23: SW $\frac{1}{4}$

Section 26: NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 27: N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$

Section 28: S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

Section 34: Lots 2-4, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 35: Lots 3, 4, N $\frac{1}{2}$ SW $\frac{1}{4}$, N $\frac{1}{2}$

Section 36: N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$

COUNTY: Grand

FUND: School - 1,382.85 (60%)

ACRES: 2,302.85

Reservoirs – 520.00 (22.6%)

Normal School – 400.00 (17.4%)

REASON FOR DISPOSAL: The land involved in this sale is currently leased for agricultural purposes. Due to recent land transactions in the area, the value of the property is considerably higher than the value on which the lease rentals were based. In order to capitalize on the increase in land value, the property should be sold; otherwise, the income to the Trust will be a function of the lower land values from the time when the leases were issued. There has been interest expressed by a neighboring landowner in purchasing this land and it is anticipated that even though the size of the property is rather large, the sale will be successful. The property has limited potential for other surface revenue generation and this appears to be a good opportunity to capitalize on the interest expressed and offer this land for sale.

DEVELOPMENT/ENTITLEMENT EVALUATION: The current zoning for this property (RG – Range and Grazing) allows for a minimum lot size of five acres. There are very few homes in the area and these are generally located along the Green River. There is no discernable market for development other than for agricultural purposes. An evaluation of development and entitlement work indicates that further investment in time and money for infrastructure development including water, roads, and utilities would not be justified based on the value increase or risk incurred. Offering this property as one large unit enhances its marketability in this case and should maximize returns to the Trust.

COMPLIANCE WITH PLANNING AND CULTURAL RESOURCE OBLIGATIONS: Pursuant to R850-80-150, the proposal to dispose of this property was reviewed by the Resource Development Coordinating Committee ("RDCC") which responded that it had not received any comments.

This property was surveyed to determine the presence of sites eligible for inclusion on the National Register of Historic Places. Several significant sites were found and, therefore, the property will be sold with covenants and restrictions in the certificate and patent.

PERFECTION OF EASEMENTS: Pursuant to R850-80-250, the Agency undertook the notification process set forth in the rule to evaluate whether any temporary easement or right-of-way exists on the property. Required certified notice was mailed to the Attorney General and the Grand County Council. Grand County responded that there is a County-claimed road through this property. An easement has been issued to the County for that portion of the Hastings Road that was not previously authorized with an easement or right-of-way. There are also several other existing rights of record which do not appear to have any adverse impacts.

PRE SALE NO. 8398 – GREEN RIVER EAST (APPROVAL FOR SALE AT AUCTION) (CONTINUED)

It should also be noted that an adjoining private landowner has submitted an application for an easement across the property in order to secure legal access. The Agency is processing this easement and anticipates granting it prior to sale of the property.

SALE INSTRUCTION: Pursuant to R850-80-550(1), this property shall be offered for public sale following the procedures outlined in R850-80-600.

Upon recommendation of Mr. Richard Wilcox, the Director approved the above property for sale at public auction.

TIMBER SALES

TIMBER SALE NO. 807 (BOND REDUCTION)

High Country Forest Products, c/o Jim Matson, 135 W. Kanab Creek Dr., Kanab, Utah 84741, has requested a reduction in the payment bond for TA 807 based on the percentage of the sale that has been paid for by the operator. An evaluation of this request indicates that a reduction in the amount of the payment bond from \$38,000.00 to \$8,000.00 is warranted. Emery County. School Fund.

Upon recommendation of Mr. Adam Robison, the Director approved the indicated reduction in the payment bond for TA 807.

DEVELOPMENT ACTIONS

DEVELOPMENT SUBDIVISION SALE

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED FOR:

SUBD 10.0 Highland Park Phase 1 Subdivision

This transaction has been executed pursuant to Development Lease DEVL 610.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 7, Township 42.0 S, Range 14.0 W, SLBM
Section 18, Township 42.0 S, Range 14.0 W, SLBM

PURCHASER:

GOLDEN HERITAGE HOMES, INC.
2303 N. CORAL CANYON BLVD., SUITE 200
ST. GEORGE, UT 84780

LOT SALE DESCRIPTION:

| Desc / | Certificate # | Cert/Sale Dt | Patent # | Patent Dt | Lot Price | Fee | Acreage | Fund | Section |
|---------|---------------|--------------|--------------|-----------|-------------|---------|---------|------|---------|
| Lot 198 | 26377-10-198 | 02/13/08 | 19928-10-198 | 07/07/06 | \$26,722.75 | \$20.00 | 0.28 | SCH | 7 |

DEVELOPMENT SUBDIVISION SALE (CONTINUED)

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Amera Musial.

DEVELOPMENT SUBDIVISION SALE

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED FOR:

SUBD 12.0 Estates at Hidden Valley Phase 1

This transaction has been executed pursuant to Development Lease DEVL 754.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 18, Township 43.0 S, Range 15.0 W, SLBM

PURCHASER:

IVORY SOUTHERN, LLC
3143 SOUTH 840 EAST
SAINT GEORGE, UT 84790

LOT SALE DESCRIPTION:

| Desc / | Certificate # | Cert/Sale Dt | Patent # | Patent Dt | Lot Price | Fee | Acreage | Fund | Section |
|--------|---------------|--------------|-------------|-----------|-------------|----------|---------|------|---------|
| Lot 39 | 26417-12-39 | 02/27/08 | 19989-12-39 | 01/31/07 | \$57,190.95 | \$100.00 | 0.20 | SCH | 18 |

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Amera Musial.

DEVELOPMENT SUBDIVISION SALE

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED FOR:

SUBD 14.0 Casitas at Hidden Valley

This transaction has been executed pursuant to Development Lease DEVL 754.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 7, Township 43.0 S, Range 15.0 W, SLBM

Section 18, Township 43.0 S, Range 15.0 W, SLBM

PURCHASER:

IVORY SOUTHERN, LLC

3143 SOUTH 840 EAST

SAINT GEORGE, UT 84790

LOT SALE DESCRIPTION:

| Desc / | Certificate # | Cert/Sale Dt | Patent # | Patent Dt | Lot Price | Fee | Acreage | Fund | Section |
|---------|---------------|--------------|-------------|-----------|------------|----------|---------|------|---------|
| Unit 28 | 26419-14-28 | 02/05/08 | 19990-14-28 | 01/31/07 | \$7,518.98 | \$100.00 | 0.03 | SCH | 18 |

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Amera Musial.

DEVELOPMENT SUBDIVISION SALE

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED FOR:

SUBD 16.0 Last Sun at Green Springs Phase 3

This transaction has been executed pursuant to Development Lease SUBD 16.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 10, Township 42.0 S, Range 15.0 W, SLBM

PURCHASER:

GARDNER-PLUMB, LC
809 EDGEHILL ROAD
SALT LAKE CITY, UT 84103

LOT SALE DESCRIPTION:

| Desc / | Certificate # | Cert/Sale Dt | Patent # | Patent Dt | Lot Price | Fee | Acreage | Fund | Section |
|--------|---------------|--------------|-------------|-----------|--------------|---------|---------|------|---------|
| Lot 90 | 26464-16-90 | 03/1/08 | 20106-16-90 | 01/16/08 | \$112,500.00 | \$65.00 | 0.41 | SCH | 10 |

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Amera Musial.

PROJECT DESIGNATION – DEVL 847

The following finding is made pursuant to R850-140, which allows the Director to designate development properties when certain criteria are satisfied.

Property: Cannonville South
Garfield County

Location: Township 37 South, Range 2 West, SLB&M
Section 32: N2NW4, SW4NW4, SE4NE4, S2SW4, SE4 (400 acres)

Acreage: 400.00 acres, more or less.

Fund: School

Approved by Douglas O. Buchi on March 11, 2008.

This property is suitable for designation as a development property pursuant to R850-140 for the following reasons:

1. This property has potential for residential and recreational development.
2. The Agency has received inquiries from a private party about the property.
3. The Agency believes that it is timely and in the best interest of the Trust to consider a development transaction for the property.

DEVELOPMENT LEASE AGREEMENT FIRST AMENDMENT - DEVL 754 – IVORY SOUTHERN, LLC

AGREEMENT NO.: 754
PROJECT: Hidden Valley
PROJECT MANAGER: Doug Buchi
PROJECT CODE: HIDVL 002 00
FUND: School
COUNTY: Washington
DATE OF AMENDMENT: February 20, 2008
VALUE OF ADDED LAND: \$3,150,000.00
BOARD APPROVAL DATE: November 29, 2007 & January 17, 2008

LESSEE/MEMBER:
IVORY SOUTHERN, LLC
A Utah limited liability company
978 East Woodoak Lane
Salt Lake City, UT 84117

DESCRIPTION OF TRANSACTION:

Ivory Southern, LLC entered into Development Lease Agreement 754 on May 8, 2006, under which approximately 364.47 acres of land in Washington County, Utah, was leased with plans to subdivide and develop the land for residential and related purposes. Lessor and Lessee now desire to amend the Lease to include additional lands, to temporarily reduce the percentage of revenue Lessor receives for the Casitas product type constructed on the Premises to eleven percent (11%) of the total base price, and to modify the allocation of certain park impact fee credits. Additionally, in connection with this amendment, a payment of \$10,883.25 will be made to the Washington County Water Conservancy District, pursuant to the Memorandum of Agreement between Utah School and Institutional Trust Lands Administration and Washington County Water Conservancy District dated July 31, 2007. The payment is calculated as the land value (\$3,150,000) times the current mil levy (0.0619%) times five (5).

DEVELOPMENT LEASE AGREEMENT FIRST AMENDMENT - DEVL 754 – IVORY SOUTHERN, LLC
(CONTINUED)

LEGAL DESCRIPTION:

Township 43 South, Range 15 West, SLB&M
Section 7, 18 & 19

Township 43 South, Range 16 West, SLB&M
Section 13 & 24:

Original Lease Parcel:

Beginning at the Southwesterly most corner of US Lot 12, Section 7, Township 43 South, Range 15 West, Salt Lake Base and Meridian, said point being located S 88°51'13" E along the section line 1280.54 feet from the South 1/4 corner of said Section 7, and running thence N 58°55'47" E along the Northwesterly line of said Lot 12, 193.80 feet; thence S 23°58'48" E to and along that parcel as described in Entry Number 907610 in the Records of Washington County 254.69 feet to the point of a 1600.00 foot radius curve to the left; thence along the arc of said curve and said parcel through a central angle of 16°07'34" a distance of 450.33 feet; thence S 40°06'22" E along said parcel 27.61 feet to a point on the Westerly boundary of Desert Hills Subdivision; thence continuing along the boundary of said Desert Hills Subdivision the following seventeen (17) courses, S 47°34'45" W 34.35 feet to a point on a 30.00 foot radius non-tangent curve to the right, the center of which bears S 43°50'17" W; thence Southeasterly and Southwesterly along the arc of said curve through a central angle of 93°01'41" a distance of 48.71 feet; thence S 46°51'58" W 237.84 feet to the point of a 429.00 foot radius curve to the left; thence along the arc of said curve through a central angle of 16°37'39" a distance of 124.50 feet; thence S 87°58'10" W 148.89 feet; thence N 78°10'16" W 93.39 feet; thence S 3°44'58" E 249.26 feet; thence S 61°50'59" E 190.14 feet; thence S 1°10'21" E 267.46 feet to the point of a 2442.00 foot radius curve to the right; thence along the arc of said curve through a central angle of 8°14'22" a distance of 351.17 feet; thence N 80°22'46" W 117.57 feet; thence S 9°37'14" W 367.14 feet; thence S 32°15'04" W 122.28 feet; thence S 79°17'00" W 279.39 feet; thence S 6°18'11" E 239.00 feet; thence S 25°10'55" E 156.72 feet; thence S 9°19'20" W 245.83 feet; thence leaving said subdivision S 6°21'28" W 839.87 feet; thence S 77°22'21" W 3554.83 feet; thence N 88°32'22" W 439.98 feet to a point on the Easterly line of Section 13, Township 43 South, Range 16 West, Salt Lake Base and Meridian; thence N 1°15'11" E along the section line 650.60 feet to the South 1/16 corner of said Section 13; thence N 88°45'06" W along the 1/16 line 1321.56 feet to the Southeast 1/16 corner of said Section 13; thence N 1°15'24" E along the 1/16 line 1169.62 feet to a point on the Northwesterly boundary of that parcel as described in Entry Number 644932 in the Records of Washington County; thence N 56°53'27" E along said boundary 1600.72 feet to a point on the Easterly line of said Section 13, said point also being on the Southerly boundary of that parcel as described in Entry Number 642028 in the Records of Washington County; thence along said boundary the following three (3) courses, N 56°53'27" E 530.39 feet; thence N 81°07'00" E 604.88 feet; thence N 66°00'27" E 3485.32 feet to the point of beginning.

Contains 364.47 acres, more or less

DEVELOPMENT LEASE AGREEMENT FIRST AMENDMENT - DEVL 754 – IVORY SOUTHERN, LLC
(CONTINUED)

Land Added to the Lease by Current Amendment:

BEGINNING AT THE SOUTHEAST 1/16 CORNER OF SECTION 13, TOWNSHIP 43 SOUTH, RANGE 15 WEST, SALT LAKE BASE MERIDIAN, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF THAT PARTICULAR DOCUMENT RECORDED AS ENTRY NUMBER 644932, WASHINGTON COUNTY RECORDS; THENCE S 88° 45'06", 1321.56 FEET ALONG SAID SOUTH 1/16 LINE AND SAID BOUNDARY LINE TO THE SOUTH 1/16 CORNER, SAID POINT ALSO BEING A POINT ON THE WEST BOUNDARY LINE OF THAT PARTICULAR DOCUMENT RECORDED IN BOOK S-48, PAGE 229, WASHINGTON COUNTY RECORDS, THENCE S 1°15'11" W, 650.60 FEET ALONG THE EAST LINE OF SAID SECTION 13 AND SAID WEST BOUNDARY LINE TO THE SOUTHWEST CORNER OF SAID BOUNDARY; THENCE CONTINUING S 88° 32'22" E, 439.98 FEET ALONG SAID BOUNDARY; THENCE N 77°22'21" E, 111.76 FEET ALONG SAID BOUNDARY; THENCE LEAVING SAID BOUNDARY S 29°50'22" W, 1618.17 FEET; THENCE N 60°09'32" W, 1,783.03 FEET; THENCE N 89°54'23" W, 216.37 FEET; THENCE N 5°39'08" W, 440.64 FEET; THENCE N 49°26'47" W, 208.17 FEET; THENCE N 40°33'13"E, 486.00 FEET TO THE POINT OF A CURVE TO THE RIGHT CHORD BEARS N 57°17'29" E, 115.20 FEET WITH A RADIUS OF 200 FEET AND A LENGTH OF 116.85 FEET AND A DELTA OF 33°28'32" TO THE POINT OF A REVERSE CURVE TO THE LEFT, CHORD BEARS N 51°10'16" E, 291.34 FEET WITH A RADIUS OF 375.00 FEET, LENGTH OF 299.21 FEET AND A DELTA OF 45°42'59" TO A POINT ON THE SOUTH 1/16 LINE OF SAID SECTION 13, SAID SOUTH POINT ALSO BEING A DOCUMENT RECORDED IN BOOK 841, PAGE 847; THENCE S 88°45'06" E 274.04 FEET ALONG SAID SOUTH 1/16 LINE AND SAID SOUTH BOUNDARY LINE TO THE POINT OF BEGINNING.

CONTAINING 79.29 ACRES, MORE OR LESS.

TOTAL NUMBER OF ACRES BY COUNTY: 443.76 acres, more or less – Washington County

TOTAL NUMBER OF ACRES BY FUND: 443.76 acres, more or less – School

Upon recommendation of Douglas O. Buchi, the Director approved this amendment.

ACTIONS CONTAINING FEE WAIVERS

SURFACE

GRAZING PERMIT NO. 22997 (NON-USE)

GP 22997 is issued to Circle Four Farms, P.O. Box 100, Milford, UT 84751. The Trust Lands Administration is requiring Circle Four Farms to take 100% non-use, due to the Milford Flat Wildfire and subsequent re-seeding, on GP 22997. SITLA, BLM, and UDWR shared the cost to re-seed the trust land sections within the Hanson BLM Allotment. The 2008/2009 grazing bill should be canceled, except for the \$15.50 weed fee. The \$20.00 non-use fee will be waived as this is an administrative request. Beaver and Millard Counties. School Fund.

Upon recommendation of Mr. Torgerson, the Director approved the non-use for GP 22997.

GRAZING PERMIT NO. 23093 (NON-USE)

GP 23093 is issued to Brad Bowler, P.O. Box 905, Enterprise, UT 84725. The Trust Lands Administration is requiring Mr. Bowler to take 100% non-use, due to the Paradise Wildfire and subsequent re-seeding, on GP 23093. SITLA, UDWR, and Mr. Bowler shared the costs to re-seed the trust land section within the Modena Canyon Allotment. The 2008/2009 grazing bill should be canceled, except for the \$3.90 weed fee. The \$20.00 non-use fee will be waived as this is an administrative request. Iron County. School Fund.

Upon recommendation of Mr. Torgerson, the Director approved the non-use for GP 23093.

DEVELOPMENT**ROE AGREEMENT (ROE 5107) – DIXIE ESCALANTE – TEMPORARY POWER LINE ROE (APPROVAL AND WAIVER OF FEES)**

THE FOLLOWING ROE WILL BE FURTHER EXECUTED UPON THE APPROVAL OF THESE DIRECTOR'S MINUTES:

| | |
|------------------|--------------|
| PROJECT: | South Block |
| PROJECT MANAGER: | Brent Bluth |
| PROJECT CODE: | SOBLK 000 00 |
| FUND: | School |
| TERM: | 4.5 Years |
| FEE WAIVED: | \$350.00 |

PERMITEE:

DIXIE ESCALANTE ELECTRIC
145 W. Brigham Rd
St. George, Utah 84790-7974

DESCRIPTION OF TRANSACTION:

Right of Entry ("ROE") 5107 was granted to Dixie Escalante Rural Electric Association ("permittee") for the purpose of constructing and maintaining a new permanent power line, which will replace an existing underground distribution power line. The permittee desires to remove the existing power line and replace it with the new power line on the same lands. Permittee shall pay for its own costs and expenses in maintaining and operating the power line. The value to the development project, and surrounding trust lands, will be enhanced to a greater extent than the monetary gain that could be realized by imposing fees for the ROE. Analysis substantiating this finding is on file in the Planning and Development Department.

The term of this Easement is for approximately 4.5 years, or 30 days after completion of installation of the new power line, whichever comes first.

LEGAL DESCRIPTION:

Township 43 South, Range 16 West, SLB&M

Sections 23: Within, as follows:

Beginning at a point which is North 01°15'37" East 522.81 feet along the East Section line and North 90°00'00" West 1928.02 feet from the Southeast Corner of Section 23, Township 43 South, Range 16 West, Salt Lake Base and Meridian, said point also being on the Easterly Right-of-Way of the Angel Arch Drive; running thence from said Easterly Right-of-Way Angel Arch Drive South 64°33'00" East 30.48 feet; thence South 54°01'29" East 64.38 feet; thence South 20°09'28"

ROE AGREEMENT (ROE 5107) – DIXIE ESCALANTE – TEMPORARY POWER LINE ROE (APPROVAL AND WAIVER OF FEES) (CONTINUED)

East 39.13 feet; thence South 24°50'32" West 28.28 feet; thence South 20°09'28" East 867.39 feet to the Westerly Right-of-Way of UDOT Interstate 15; thence along said UDOT Right-of-Way South 28°35'12" West 26.60 feet; thence North 20°09'28" West 931.89 feet; thence North 54°01'29" West 48.52 feet; thence North 64°33'00" West 32.77 feet to the said Easterly Right-of-Way of Angel Arch Drive, said point also being on an 661.00 foot radius curve concave to the left, the radius point of which bears North 54°17'52" West; thence Northeasterly 40.45 feet along the arc of said curve through a central angle 3°30'23", said point also being the point of beginning.

CONTAINING 0.53 TOTAL ACRES, MORE OR LESS.

NUMBER OF ACRES BY COUNTY: 0.53 acres - Washington County

NUMBER OF ACRES BY FUND: 0.53 acres - School

PROPOSED ACTION:

This ROE is granted only for the purpose described above as far as it is consistent with the principles and obligations in the Enabling Act of Utah (Act of July 16, 1894, Ch. 138, 28 Stat. 107) and the Constitution of the State of Utah.

Upon recommendation of Mr. Aaron Langston, the Director accepted and granted ROE 5107.

EASEMENT AGREEMENT (ESMT 1285) - HURRICANE CITY – SAND HOLLOW 25 FOOT STORM DRAIN EASEMENT (APPROVAL AND WAIVER OF FEES)

THE FOLLOWING EASEMENT WILL BE FURTHER EXECUTED UPON THE APPROVAL OF THESE DIRECTOR'S MINUTES:

| | | |
|------------------|-----------------------|--------|
| PROJECT: | Sand Hollow Reservoir | |
| PROJECT MANAGER: | Aaron Langston | |
| PROJECT CODE: | SANDH 000 00 | |
| FUND: | Deaf | 0.00% |
| | Miners Hospital | 0.28% |
| | Normal School | 0.28% |
| | Reservoirs | 0.85% |
| | School | 97.19% |
| | School of Mines | .28% |
| | University | 0.56% |
| | Utah State University | 0.56% |
| TERM: | Perpetual | |
| FEE WAIVED: | \$250.00 | |

GRANTEE:

HURRICANE CITY
147 North 870 West
Hurricane, Utah 84737

**EASEMENT AGREEMENT (ESMT 1285) - HURRICANE CITY – SAND HOLLOW 25 FOOT STORM DRAIN
EASEMENT (APPROVAL AND WAIVER OF FEES) (CONTINUED)**

DESCRIPTION OF TRANSACTION:

This Easement was granted to Hurricane City for the right to construct, operate, repair, and maintain all necessary and reasonable storm drain improvements (the "Improvements") on trust lands described herein. This Easement has been made pursuant to the terms of that certain Development Agreement 747 dated as of October 31, 2005. Along with this perpetual permanent easement, a temporary twenty-four (24) month construction easement has been granted. Grantee shall pay for its own costs and expenses in maintaining and operating the "Improvements". The value to the development project, and surrounding trust lands, will be enhanced to a greater extent than the monetary gain that could be realized by imposing fees for the easement. Analysis substantiating this finding is on file in the Planning and Development Department.

The term of this Easement shall run in perpetuity or until the Improvements are no longer necessary or in service or rendered useless due to lack of proper maintenance.

LEGAL DESCRIPTION:

Township 42 South, Range 14 West, SLB&M

Sections 14 and 23: Within, as follows:

A 25.00 foot permanent sewer easement and a 96.00 foot construction sewer easement located in Sections 14 and 23, Township 42 South, Range 14 West, Salt Lake Base & Meridian, said permanent easement being 12.50 feet and the construction easement being 48.00 feet on each side of the following described centerline:

Commencing at the North ¼ Corner of said Section 23, thence South 00°03'39" West, 1,241.37 feet along the center section line to a point on the north line of a proposed 80.00 foot roadway; thence South 89°45'02" West, 99.05 feet along said north line to the point of beginning; thence North 00°04'29" West, 3,376.56 feet; thence East, 555.42 feet to the point of terminus.

Length of line = 3,931.98 feet.

Construction easement contains 8.666 acres, more or less.

Permanent easement contains 2.26 acres, more or less.

Township 42 South, Range 14 West, SLB&M

Sections 23: Within, as follows:

A 25.00 foot permanent storm drain easement and a 96.00 foot construction storm drain easement located in Section 23, Township 42 South, Range 14 West, Salt Lake Base & Meridian, said permanent easement being 12.50 feet and the construction easement being 48.00 feet on each side of the following described centerline:

Commencing at the South ¼ Corner of said Section 23, thence North 00°03'39" East, 1,770.35 feet along the center section line; thence West, 279.71 feet to the point of beginning, said point being on the north line of a proposed 110.00 foot road; thence North 11°57'46" West, 352.01 feet; thence North 12°26'57" East, 1202.78 feet; thence North 00°15'04" West, 672.12 feet, to a point on the south line of a proposed 80.00 foot road and the point of terminus.

Length of line = 2,226.91 feet.

Construction easement contains 4.908 acres, more or less.

Permanent easement contains 1.28 acres, more or less.

**EASEMENT AGREEMENT (ESMT 1285) - HURRICANE CITY – SAND HOLLOW 25 FOOT STORM DRAIN
EASEMENT (APPROVAL AND WAIVER OF FEES) (CONTINUED)**

Total acreage of temporary construction easement contains 13.574 acres, more or less.

Total acreage of permanent easement contains 3.54 acres, more or less.

NUMBER OF ACRES BY COUNTY FOR PERMANENT EASEMENT: 3.54 acres – Washington County

NUMBER OF ACRES BY FUND FOR PERMANENT EASEMENT:

| | |
|------------------------------------|--------|
| 0.00 acres – Deaf | 0.00% |
| 0.01 acres - Miners Hospital | 0.28% |
| 0.01 acres – Normal School | 0.28% |
| 0.03 acres – Reservoirs | 0.85% |
| 3.44 acres – School | 97.19% |
| 0.01 acres – School of Mines | 0.28% |
| 0.02 acres – University | 0.56% |
| 0.02 acres – Utah State University | 0.56% |

PROPOSED ACTION:

This Easement is granted only for the purpose described above as far as it is consistent with the principles and obligations in the Enabling Act of Utah (Act of July 16, 1894, Ch. 138, 28 Stat. 107) and the Constitution of the State of Utah.

Upon recommendation of Mr. Aaron Langston, the Director accepted and granted Easement No. 1285.

LEGAL ACTIONS

**EXCHANGE NO. 325 (EXCHANGE OF LANDS WITH UTAH DIVISION OF WILDLIFE RESOURCES
UNDER ASSEMBLED LAND EXCHANGE AGREEMENT) – STATE OF UTAH EXCHANGE PATENT
NO. 20111**

Exchange Name: UDWR Marshall Draw Exchange **State Patent No.:** 20111

Board Approval Date: November 29, 2007 **Fund:** School

Date of Exchange: March 14, 2008

Background Information:

On March 29, 2004, the Administration and the Utah Division of Wildlife Resources (“UDWR”) entered into an Assembled Land Exchange Agreement under which the parties could exchange lands between the Agencies on a non-simultaneous basis, with imbalances in land values tracked through a ledger and periodically equalized. The initial exchange under the Assembled Land Exchange Agreement (Exchange No. 306) involved transfer of a UDWR property located in Iron County for trust land located in Piute and Garfield Counties. As a result of unequal values between the properties, the Trust Lands Administration owed UDWR \$324,500.00 on completion of the initial exchange. This amount was credited to UDWR in the ledger account, with the balance accruing simple interest at the prime rate. As of March 14, 2008, the ledger balance in favor of UDWR was \$397,110.

EXCHANGE NO. 325 (EXCHANGE OF LANDS WITH UTAH DIVISION OF WILDLIFE RESOURCES UNDER ASSEMBLED LAND EXCHANGE AGREEMENT) – STATE OF UTAH EXCHANGE PATENT NO. 20111 (CONTINUED)

UDWR subsequently requested to acquire two sections of School trust lands located near the Colorado border in Daggett County. These two sections have long been an acquisition target for UDWR. The primary reason for UDWR's interest in the property is that they are both contiguous to the Marshall Draw Unit of the Diamond Mountain Wildlife Management Area, principally managed for big game habitat. An appraisal of the Daggett County properties was completed on November 2, 2007. The appraised value for the two properties was \$862,000.

The appropriate advertising was completed pursuant to rule. No competing applications were received. The holder of the Modified Grazing Permit on the Marshall Draw parcel expressed verbal opposition to this transaction, but did not submit anything in writing. The Trust's income from the combined properties in recent years has been less than \$400 per annum, and the Agency is not aware of outside interest in the subject lands. The Trust Lands Administration believes this transaction is in the best interest of the Beneficiary. It presents a good opportunity to zero-out TLA's current obligation to the time-sensitive interest bearing ledger account initiated in March, 2004, using lands that do not appear to present significant opportunities for above-market appreciation. The Trust Lands Administration's Board of Trustees approved this transaction as a consent item at its regularly scheduled meeting on November 29, 2007.

This transaction will reverse the credit posture between the two agencies; UDWR will now have a balance of \$464,890 (\$862,000 less \$397,110) in value owed to TLA. In keeping with the Assembled Land Exchange Agreement, the Agencies will continue to seek other exchange opportunities to balance-out this interest-bearing ledger account through future exchanges.

Lands and Water Rights Conveyed To UDWR via Exchange Patent 20111:

Township 1 North, Range 25 East, SLB&M

Section 32: SW $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$

Township 1 South, Range 25 East, SLB&M

Section 2: Lots 2-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$

Containing 1,002.36 acres, more or less

Together with State of Utah Water Right No. 41-2164.

Exceptions and Reservations:

Excepting and reserving to the State of Utah all coal and other mineral deposits (which shall not be deemed to include common varieties of sand, gravel and cinders), along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute; and

Subject to State of Utah Modified Grazing Permit No. 4, issued to David Rasmussen, expiring June 30, 2008.

Surface Acres Conveyed by County: 1002.36 – Daggett County

Surface Acres Conveyed by Beneficiary: 1002.36 – School Fund

**EXCHANGE NO. 325 (EXCHANGE OF LANDS WITH UTAH DIVISION OF WILDLIFE RESOURCES
UNDER ASSEMBLED LAND EXCHANGE AGREEMENT) – STATE OF UTAH EXCHANGE PATENT
NO. 20111 (CONTINUED)**

Mineral Acres Conveyed: None

Lands Received:

No lands were conveyed by UDWR to the Trust in this transaction. The lands conveyed by the Trust to UDWR are partially in consideration of excess lands conveyed by UDWR to the Trust in Exchange No. 306, and partially for credit for future exchanges pursuant to the Assembled Land Exchange Agreement.

This item was submitted for record-keeping purposes by Mr. Andrews.